

**ND RETIREMENT AND INVESTMENT OFFICE**  
**A Division of ND Retirement and Investment Office**  
**Balance Sheet**  
**As of 12/31/2007**

2/14/2008

	As of <u>12-31-07</u>	As of <u>6-30-07</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 1,735,728,633	\$ 1,845,998,567
INTERNATIONAL EQUITIES	882,702,482	944,760,297
DOMESTIC FIXED INCOME	2,186,000,124	1,973,499,969
INTERNATIONAL FIXED INCOME	198,395,680	179,265,016
REAL ESTATE	437,754,292	417,638,876
ALTERNATIVE INVESTMENTS	190,300,465	173,508,671
INVESTED CASH (NOTE 1)	<u>94,523,854</u>	<u>84,933,966</u>
 TOTAL INVESTMENTS	 5,725,405,530	 5,619,605,362
 <b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	22,274,513	23,668,338
CONTRIBUTIONS RECEIVABLE	797,860	8,058,323
MISCELLANEOUS RECEIVABLE	<u>10,648</u>	<u>7,075</u>
 TOTAL RECEIVABLES	 23,083,021	 31,733,736
 <b>OTHER ASSETS</b>		
OPERATING CASH	9,835,186	10,032,855
FIXED ASSETS (NET OF ACCUM DEPR)	<u>789,382</u>	<u>789,382</u>
 TOTAL ASSETS	 <u><u>\$ 5,759,113,119</u></u>	 <u><u>\$ 5,662,161,335</u></u>
 <b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	21,974	75,649
ACCRUED EXPENSES	552,081	519,832
CAPITAL LEASE PAYABLE	1,210	1,210
INVESTMENT EXPENSES PAYABLE	<u>7,720,630</u>	<u>7,719,499</u>
 TOTAL LIABILITIES	 8,295,895	 8,316,190
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	5,653,845,145	4,924,031,121
CASH IN DURING YEAR (NOTE 3)	299,939,675	295,030,109
CASH OUT DURING YEAR (NOTE 4)	208,598,333	358,929,903
NET INCREASE (DECREASE)	<u>5,630,737</u>	<u>793,713,818</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>5,750,817,224</u>	 <u>5,653,845,145</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 5,759,113,119</u></u>	 <u><u>\$ 5,662,161,335</u></u>

**ND RETIREMENT AND INVESTMENT OFFICE**  
**A Division of ND Retirement and Investment Office**  
**Profit and Loss Statement**  
**For the Month Ended 12/31/2007**

	Month Ended <u>12-31-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 15,256,912	\$ 80,999,080
SECURITIES LENDING INCOME	<u>554,208</u>	<u>10,287,856</u>
	15,811,120	91,286,936
GAIN ON SALE OF INVESTMENTS	65,937,299	358,717,660
LOSS ON SALE OF INVESTMENTS	<u>37,074,527</u>	<u>244,075,691</u>
NET GAINS (LOSSES) INVESTMENTS	28,862,772	114,641,969
INVESTMENT EXPENSES	2,659,396	14,200,253
SECURITIES LENDING EXPENSES	<u>494,248</u>	<u>9,735,181</u>
NET INVESTMENT INCOME	41,520,248	181,993,471
NET APPREC (DEPREC) MARKET VALUE	(72,630,750)	(139,048,668)
MISCELLANEOUS INCOME/(EXPENSE)	<u>38,374</u>	<u>(694,682)</u>
TOTAL INVESTMENT INCOME	(31,072,128)	42,250,121
CONTRIBUTIONS & ASSESSMENTS (NOTE 5)	6,345,075	21,056,992
PURCHASED SERVICE CREDIT (NOTE 6)	179,878	913,371
PENALTY & INTEREST (NOTE 7)	<u>8</u>	<u>43</u>
TOTAL ADDITIONS	<u>(24,547,167)</u>	<u>64,220,527</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 8)	8,787,261	52,876,859
PARTIAL LUMP SUM BENEFITS PAID	0	244,102
REFUNDS TO MEMBER (NOTE 9)	<u>269,372</u>	<u>4,595,530</u>
TOTAL BENEFITS PAID	9,056,633	57,716,491
ADMINISTRATIVE EXPENSES	107,119	873,299
TOTAL DEDUCTIONS	<u>9,163,752</u>	<u>58,589,790</u>
NET INCREASE (DECREASE)	<u><u>\$ (33,710,919)</u></u>	<u><u>\$ 5,630,737</u></u>

# ND RETIREMENT AND INVESTMENT OFFICE

2/14/2008

## Notes To Financial Statements

December 31, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1                    INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 3                    CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 4                    CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5                    CONTRIBUTIONS

Contributions on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution of 15.5 percent that must be remitted monthly.

NOTE 6                    PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

NOTE 7                    PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions.

NOTE 8                    BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 9                    REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.